

**Washington, D.C.** - Congressman David Price (NC-04) today renewed his fight to give consumers the tools they need to effectively manage their credit card debt.

The bill he introduced today, titled the Credit Card Repayment Act of 2007, focuses on the "minimum monthly payment" trap, which allows cardholders to accumulate unmanageable debt loads even when they are fulfilling their obligations to credit card companies.

The Credit Card Repayment Act would require credit card companies to disclose more information to consumers about the minimum monthly payment option. Minimum payments often only barely cover monthly interest charges and fees, leaving the balance due virtually unchanged. The result is a state of perpetual debt for many hardworking American families.

For example, if a consumer makes a 2 percent minimum monthly payment on a credit card with a \$5,000 balance and a 17 percent interest rate, it could take over forty years and cost over \$11,300 in interest to repay the balance.

Under the Price bill, credit card companies would have to clearly outline the full cost of the minimum payment on a cardholder's monthly statement and offer cardholders tools to help them pay off their debt. Specifically, the legislation would require companies to include five important pieces of information on each customer's monthly statement:

- A warning that making only the minimum monthly payment would increase the amount of interest paid;
- Information on how long it would take and how much it would cost the consumer to pay off his/her entire balance if making only the minimum monthly payment;
- Information on how much the consumer would have to pay per month if he/she wanted to pay off the balance in three years;

- A toll-free number that consumers could call for credit counseling.

"Consumers deserve to have better information from credit card companies to get themselves out of debt," Price said. "This bill provides a simple solution to the very serious problem of rampant consumer debt."

American families are carrying record levels of debt, and by deliberately lowering their minimum monthly payment requirements, Price says credit card issuers are not encouraging responsible financial management.

"I hope this more consumer-friendly Congress will act soon to reign in this deceptive and potentially ruinous lending practice," Price said.

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